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**DPD-5955-59**

**1 September 1959**

**MEMORANDUM FOR: Deputy Director (Plans)**

**SUBJECT : Procurement of C-130B's**

1. A few weeks ago a study was completed which recommended that C-130B's have the range and flexibility desired for covert air operations. Accordingly, and consistent with this recommendation, procurement and operating costs were included in the FY 1960 DPD budget.

2. On 19 August 1959 you advised that this item was not appropriate for the budget since the necessary funds would come out of the Director's reserve.

3. In addition to its own airlift, the Agency frequently calls upon the Air Force to furnish aircraft on loan for air drops. This is done in cases where range, altitude or other operational factors preclude use of Agency-owned equipment. To date the Air Force has furnished effective support in this regard. However, contingencies in which Air Force and CIA interests may conflict can be foreseen. For example, [redacted] it would have been most difficult to fill airlift from USAFE since all airlift was committed for military and other purposes. However, even in this case, if the need were deemed urgent enough, I feel sure airlift would have been diverted to perform an urgent CIA task.

4. The Air Force charge under Tab 6 is identical regardless of aircraft ownership. Therefore, the major difference has to do with capital outlay by the Agency as opposed to capital outlay by the Air Force for aircraft. From the U. S. point of view, it doesn't matter which Agency procures aircraft so long as duplication is avoided. The Air Force is procuring C-130B's and, additionally, is modifying C-130A's to give them extended range. The latter will be available in the Far East within the next few months.

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5. On 28 August 1959 I advised Mr. C. L. Johnson of Lockheed that I would recommend against CIA procuring C-130B's at this time, due to high capital cost and additional operating costs under Tab 6. He suggested leasing a 130B to CIA and will forward additional information and cost figures.

6. On 28 August, I understand that you asked Mr. James Cunningham to undertake a review of Tab 6 costs in view of new Agency-USAF agreements with regard to AF personnel who are being detailed to CIA.

7. CONCLUSION: The operational requirements and recommendations of the DPD airlift study are still considered valid. However, it appears possible to plan and conduct CIA required clandestine airlift in either presently owned CIA aircraft or by aircraft on loan from the U. S. Air Force.

8. RECOMMENDATION: It is recommended that plans to procure C-130B's for CIA be held in abeyance indefinitely and that the Air Force be called upon to furnish aircraft as required, thereby saving the Agency a major capital investment.

SIGNED

WILLIAM BURKE  
Colonel USAF  
Acting Chief, DPD

Recommendation in para. 8 APPROVED:

Deputy Director (Plans)

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